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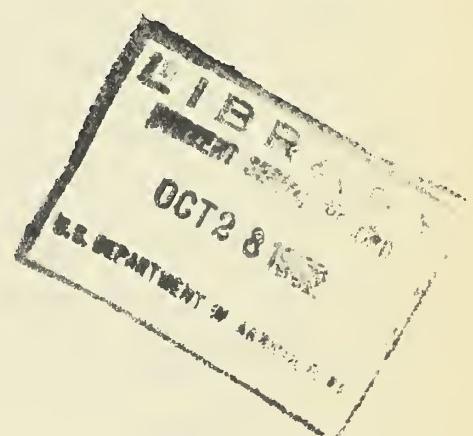


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# MARKETING ACTIVITIES



U.S. DEPARTMENT OF AGRICULTURE  
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## **MARKETING ACTIVITIES**

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# More Protein Stalls Staling

X

By Philip Talbott

A loaf of bread with double the protein content of today's ordinary bakery loaf and with a high resistance to staling has been developed through research sponsored by the U. S. Department of Agriculture.

Although this high protein bread does not appear commercially feasible at the present time, the techniques necessary for its production now are available and may open the door to future developments. Meanwhile, study of the bread has contributed materially to the basic research through which it was developed.

## Part of Bread "Staling" Study

Under the Agricultural Marketing Act of 1946, the American Institute of Baking is making a study for the Grain Branch, Production and Marketing Administration, on the causes of staling of bakery products. One phase of the research, the effect of heat as a deterrent to bread staling, was reviewed in the June 1952 issue of MARKETING ACTIVITIES under the title: "Keep That Bread Hot."

In the section of the study under which the high protein bread was developed, the researchers were seeking to determine by taste and other tests the effect of gluten (protein) and wheat starch on the staling of bread. The findings appear to indicate that increased protein or gluten content is definitely a factor in retarding the staling of bread.

In the study, the bread tested was made from commercial wheat flour which had been fractionated (through a washing process by which the gluten protein is separated from the starch and the two components held separately) and later reconstituted with a change in the original relationship of protein and starch to bring about a higher gluten content.

## Protein Content Increased

Normal gluten content of commercial bakery flour is 10 to 11 percent or thereabouts, and this is reflected in the protein content of the bread produced from it. In the tests, bread was made with flour which had been increased to 12-1/2, 15, and 20 percent gluten, and in which large-granule wheat starch was used in the reconstitution process. Previously it had been found that broken granules of starch used in reconstituted flour which had been fractionated had a decided effect on bakery products quality.

This particular study marked the first time that it had been possible to fractionate flour on a large volume basis and then reconstitute it and

bake acceptable bread. Previous experiments had been confined to use of 100 gram, or so-called "pup," loaves. While this development naturally would not mean much to a layman, USDA specialists regard it as very significant, inasmuch as it is a technique that eventually may be perfected so that bakers can buy flour components - gluten and starch - mix them to their own formulas in their bakeries, and thus produce commercially a high protein bread. No mechanical difficulty was encountered during the makeup of the higher protein flour doughs used in the study under discussion.

### Higher Wheat Protein Gives Acceptable Loaf

At this point, it might be well to go a little further into the matter of increasing the protein content of bread. While it is true that other cereal proteins than wheat gluten can be added to wheat flour, it is doubtful that an aerated loaf, acceptable to consumers, could be developed. This conclusion holds with regard to the addition of soybean proteins. The other cereal proteins appear to lack the gum substance that gives wheat gluten the elasticity necessary to build up pores or "grain" and give form and shape to a loaf of bread. The research tests, however, clearly demonstrated that the wheat protein - glutamic acid-content can be increased and an acceptable loaf of bread produced.

In taste-panel tests run on the  $12\frac{1}{2}$ , 15, and 20 percent gluten content bread, it was found that no significant difference was noted in freshness when the breads were one day old. However, at the end of six days the differences were said to be highly significant, with the 20 percent gluten bread judged freshest and that of  $12\frac{1}{2}$  percent least fresh.

### Also Fresher by "Squeeze" Test

Tests for compressibility showed very little difference in breads of  $12\frac{1}{2}$  and 15 percent gluten of the same age, but bread of 20 percent, while somewhat less compressible than the other breads initially, changed very little after the second day, so that on the fifth and sixth days it was appreciably softer than the others. (It may be recalled that this compressibility test is similar to that ordinarily used by housewives when they squeeze bread to determine freshness, except that in the laboratory precision instruments are used.)

Other findings in the tests were that moisture content of all the breads was uniform initially, and no difference was found in ability to retain crumb moisture during aging;  $12\frac{1}{2}$  percent gluten bread was more crumbly than the other two during the entire test, and the 20 percent bread showed a much lower crumbliness during the entire period; no appreciable differences could be found between the breads in a crumb swelling power test.

### Findings Important

Conclusions reached by the American Institute of Baking research group, as a result of the study, follow:

1. A satisfactory method was perfected for large-scale separation of flour into gluten, prime wheat starch, small-granule wheat starch, and solubles. These constituents can be separated in sufficient amounts for production of standard-size loaves for systematic taste-panel and laboratory tests during the aging of bread. Gluten can be stored frozen for a period of at least  $4\frac{1}{2}$  months without appreciable deterioration of its bread making qualities.

2. Bread of good quality can be made without the use of all the fractions of flour. Such bread has been made using only gluten and prime, or large granule, wheat starch. Similarly, bread of good quality has been made by use of gluten and prime and small-granule wheat starch. If bread is made using gluten and one or both of the starch fractions, but omitting the solubles from flour, the formula must be altered to compensate for the missing components.

3. The rate of staling of bread made by using gluten and large-granule wheat starch has been shown to decrease as the proportion of gluten is increased. This should not be interpreted to mean that bread made of a flour from high protein wheat will remain fresh longer than breads made of low-protein content flour since different flours may have other biological differences, such as those in protein and starch quality, which would counteract or obscure the amount of protein.

Differences in the rate of staling of breads of different gluten levels are not due to differences in crumb moisture, since breads used in the experiments, initially similar in moisture content, also were in close agreement at the end of six days.

Differences in rate of staling of the breads tested cannot be related to such physical properties as compressibility, crumbliness, or crumb swelling power. This is evidence of the inadequacy of the physical tests to measure the staling of bread.

In addition to making possible more accurate studies of wheat starch and proteins and the part both play in the phenomena of bread staling, the research findings may lead to further advancement of the newly developed "continuous" method of bread making.

\* \* \*

#### PREPACKAGING RESEARCH

Proper types of film for prepackaging fresh fruits, vegetables and nut meats, and the importance of ventilation and refrigeration in keeping prepacked commodities fresh, have been the subject of extensive tests by USDA scientists of the Agricultural Research Administration. Some recent findings by the Bureau of Plant Industry, Soils and Agricultural Engineering stress the importance of refrigeration for such prepacked products as apricots, sweetpotatoes, and carrots, while ventilation is needed in film packing onions, sweet corn, and broccoli. Weight losses can be minimized through use of the right kind of film for apples, oranges and lemons.

# Hand Truck Tricks

By Norman G. Paulhus and Frank P. Delle Donne

Egg handlers who are not getting full use from egg-case trucks designed for wooden cases because of their inability to handle fibreboard containers might do well to lift a trick from some of their colleagues. Through the use of ingeniously simple attachments some egg assembly plants not only have adapted these hand trucks for use on fibreboard containers, but they also are moving 33 percent more eggs with them.

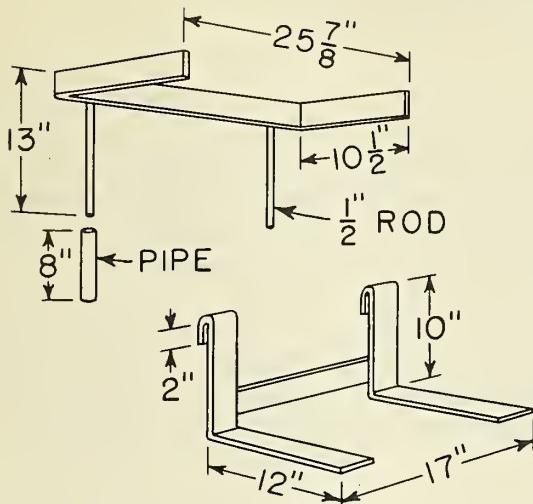
Although two-wheel hand trucks always have been the most-used item of equipment in egg handling plants, the switch from wooden egg cases to the fibreboard containers has presented a problem. Those egg-case trucks designed to handle the wooden cases with cleated ends are not much help in moving fibreboard cases.

During the course of a survey of egg handling methods, however, the authors noted that a few egg assembly plants have developed simple attachments for use on hand trucks which permit very efficient movement of fibreboard cases. These attachments, shown in illustrations on the following page, can be made economically and are easy to install or remove. When used with a simple wooden pallet, they permit the movement, in one load, of four 30-dozen or eight 15-dozen fibreboard containers.

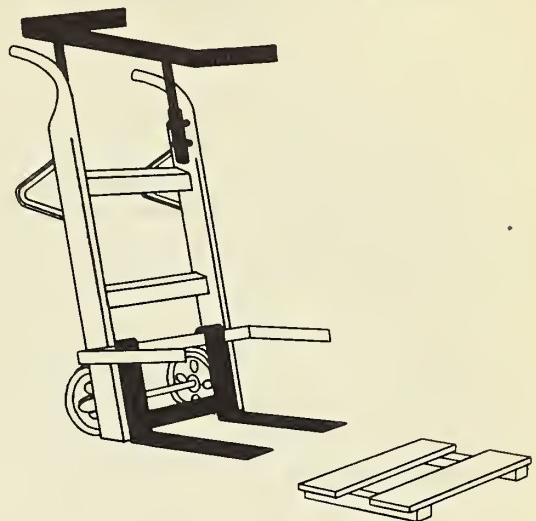
It will be seen from the illustrations that two separate attachments for the hand truck are required. The lower one, described as a fork, fits onto a cross bar on the truck and furnishes a bottom support for the pallet. (In the second drawing, showing the hand-truck with attachments, this attachment is shown at the bottom of the truck.) The side support just above it is an original part of the truck designed to hold cleated wooden egg cases. The second attachment, top of first drawing, has round bars which fit into short pieces of pipe fastened to the inside of the handles of the truck. This supports the top case or cases in the stack, preventing them from falling back onto the handles or slipping off to the side.

Both of the attachments observed in operation were made from steel strap 1/2 or 3/8 inches thick and 2 to 2-1/2 inches wide. The bottom one is welded to a cross brace to form the fork and has a bend at the top to fit over the cross-piece on the hand truck. The top attachment is welded to the 1/2-inch rods which slip into the supports on the truck handles. The pallets used are "single-faced"--one foot wide and two feet long, of 1-by-4 inch wood, and held together by cleats, which are high enough to permit the fork attachment to slip underneath. In addition to providing a support for the egg cases on the hand truck, the pallets perform the additional function of keeping stacked egg cases off refrigerator floors, thus minimizing moisture damage.

## SUGGESTED ATTACHMENTS FOR HANDLING FIBREBOARD CASES ON EGG-CASE TRUCKS



1. Attachments and measurements



2. Egg-case truck with attachments in place



3. Ordinary egg-case truck



4. Same truck loaded, with attachments

# Poultry Industry Progress

By Paul Mohl

Phenomenal changes have taken place in poultry consumption, production, and movement to market over the past two decades. Some of these shifts are fairly well known; others, perhaps, will come as quite a surprise even to those who make their living in the poultry industry.

During the 16 years from 1934 to 1950, total poultry consumption has jumped about 2-1/2 times, or 239 percent, to be exact. But, at the same time, commercial broiler production zoomed up nearly 20 fold, or 1,950 percent. Equally impressive have been the changes in the geographical areas of supply for poultry.

These are but a few of the highlights of a study of poultry industry trends made by the author for the Poultry Branch, Production and Marketing Administration, under authority of the Agricultural Marketing Act of 1946. A detailed report on the study, which covers the period 1930-1950, is planned for later release. Meanwhile, some of the currently available findings, which should be of interest to the poultry industry, follow:

## No Broiler Statistics Prior To 1934

In 1934, the first year for which commercial broiler sales were reported separately, the live-weight of farm chickens sold was 1,544 million pounds, commercial broilers about 97 million pounds, and turkeys 290 million pounds. By 1950, the quantities sold were: Farm chickens, 1,872 million pounds; broilers, 1,889 million pounds; and turkeys, 815 million pounds. ("Farm chickens" comprise those produced primarily for egg-laying purposes and some of the young stock not used for flock replacement.)

Percentage-wise, in 1934 farm-raised chickens, in terms of dressed weight, constituted 80 percent of the poultry marketed, commercial broilers 5 percent and turkeys 15 percent. In 1950, the corresponding percentages were 41, 41, and 18.

This sharp decline in the percentage of poultry marketed that was farm chickens and the great increase in the proportion that was commercial broilers is illustrated by geographical regions in the group of charts at the top of page 11. It will be noted that in the individual regions the percentages that were farm chickens, commercial broilers, and turkeys varied and that these variations were considerably more pronounced in some regions than in others. Even though all six regions showed a decrease in

the percentage of farm raised chickens marketed in 1950 as compared with 1934, the actual quantity in pounds, live weight, showed an increase in all regions except the West North Central States, where marketings decreased by 16 million pounds.

#### Broiler Production Up In All Regions

All six regions showed a marked increase in the sale of commercial broilers both in pounds and in terms of percentage that broilers were of total poultry marketed from the individual regions. The greatest increase in pounds of broilers marketed occurred in the South Atlantic States, which includes the Delmarva broiler producing area and production areas in North Carolina and Georgia. In 1934, commercial broiler marketings in the South Atlantic area totaled 39 million pounds, live weight. By 1950, they had increased to about 875 million pounds. Next in rank were the South Central States, where sales of commercial broilers amounted to 13 million pounds in 1934 and by 1950 had increased to about 344 million pounds. Other regions, however, show increases in poundage which are less outstanding. The data show that, with the increased demand and relatively lower costs of producing commercial broilers, many producers apparently have shifted from the raising of poultry principally for the production of eggs to the raising of poultry primarily for meat purposes. On the other hand, the great increase in commercial broiler production has resulted in a greater demand for both hatching eggs and baby chicks. This has been very noticeable in certain areas, particularly New England, where poultry production has increased sharply. As the broiler industry expands, further expansion in other areas of these breeding flocks for hatching eggs and baby chicks may be expected.

#### Turkey Production Up In All Regions

The tremendous increase in turkey production over the score of years studied has been reflected by all six geographic regions. The greatest increase in number of pounds marketed over that period took place in the Western States. In that region, sales in 1950 amounted to approximately 256 million pounds, live weight, as compared with only 67 million pounds in 1934. Turkey sales in the Western States in 1950 were 48 percent of total sales in the country, as compared with sales in the West North Central States, the second largest producing area, of 218 million pounds or 26 percent of total sales. In the other four regions, the individual percentage of 1950 sales was 15 percent or less.

#### Market Outlets

What are the market outlets for the poultry? Poultry is generally purchased in live form from producers and is then hauled to local processing plants to be killed and dressed. A relatively small percentage moves to terminal markets in live form. The percentage shipped alive has tended to decrease from year to year. Now most of the poultry is killed and dressed locally in the area where it is produced.

New York, Chicago, Philadelphia, and Boston are four large terminal

markets to which poultry is shipped, and for which receipts data have been compiled for many years. The quantity received on these markets in 1950 was 743 million pounds, or 18 percent of the 4 billion pounds (dressed weight equivalent) sold by producers, as reported by the Federal-State Market News Service. Of the amount received at the four terminal markets, 74 percent was dressed and the remaining 26 percent was in live form.

#### Other Reported Markets

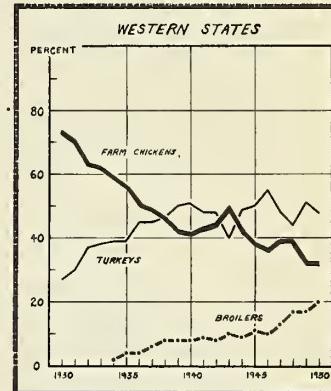
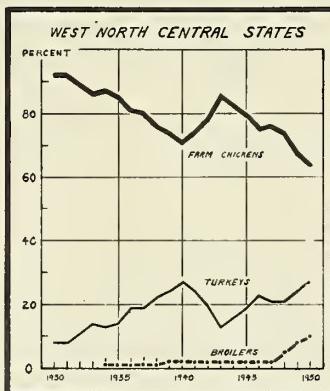
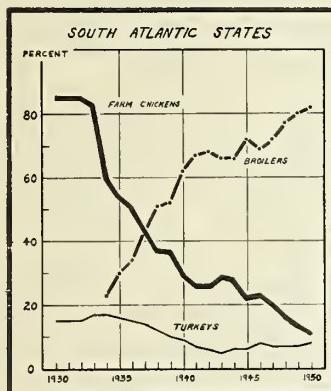
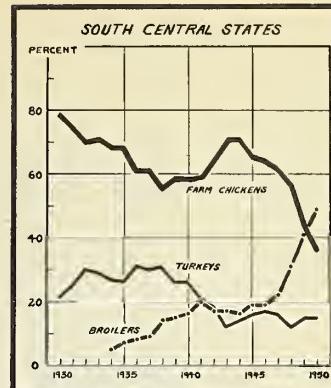
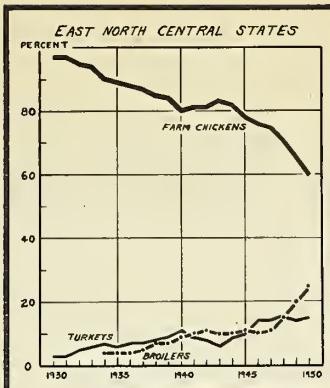
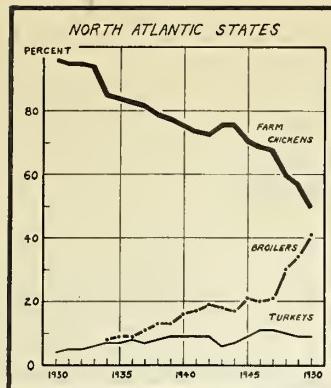
In addition, reports are made as to the poultry received on two large Pacific Coast markets, Los Angeles and San Francisco, California. Only dressed poultry is included in the reports of receipts at Los Angeles and live and dressed on the San Francisco market. Since 1947, information on receipts also has been reported for six other smaller terminal markets - Cleveland and Cincinnati, Ohio; Detroit, Michigan; St. Louis, Missouri; Atlanta, Georgia; and New Orleans, Louisiana. The percentage of poultry shipped to the four largest markets was 18 percent. The receipts on the eight additional markets would raise the percentage figure from 18 to about 22 percent. About 78 percent of the poultry marketed by producers apparently was shipped to markets for which market receipts data are not available.

The larger part of the poultry received in live form on the twelve reporting markets now originates in near-by producing areas. However, there is some movement, for example, of live broilers from the South Atlantic States to Chicago, Detroit, Cleveland, and New Orleans.

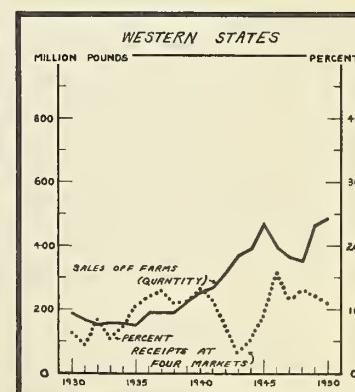
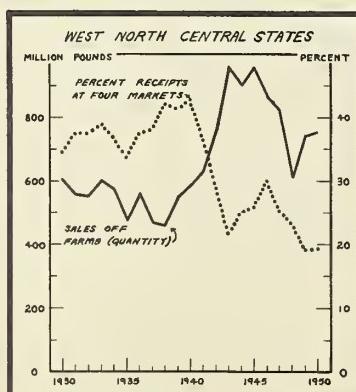
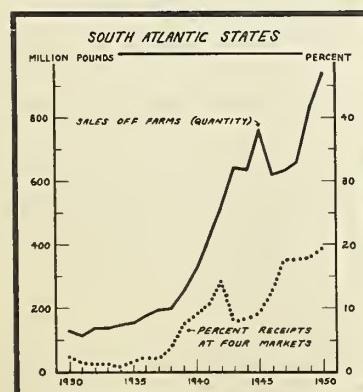
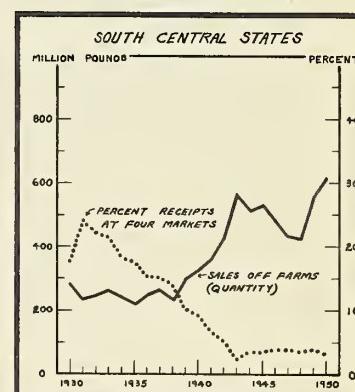
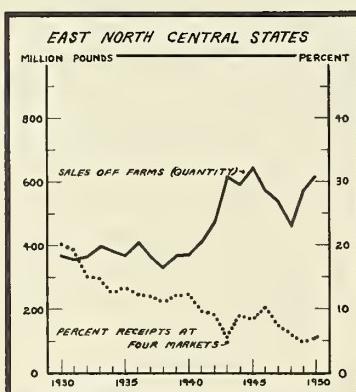
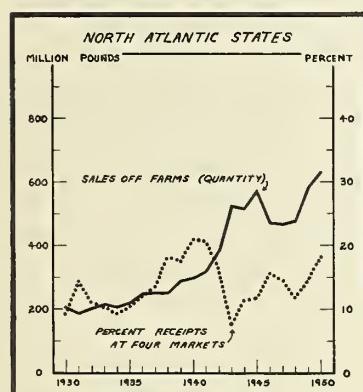
In dressed form, poultry for the most part is shipped directly from local processing plants to the smaller non-reported markets. This might be said to be conducive to promoting efficiency in marketing, as it eliminates a certain amount of rehandling in the larger terminal distributing centers and needless transportation. As previously mentioned, only 22 percent of the poultry marketed by producers arrives at the twelve reported terminal wholesale markets. This is indicated in the chart at the bottom of page 11, which gives the data for the various producing regions. Information is not available on how the poultry sold moves from the local processing plants to the non-reported markets.

#### Need For More Market News?

This article reveals some of the changes that have been taking place in the type of poultry marketed over a period of years, and the extent to which it moved to the larger reporting terminal markets. Little is known about the poultry that is shipped to the smaller markets, which is not covered by the USDA Market News Service. Before this reporting service is expanded to cover additional markets, however, it would be wise to conduct research aimed at determining the practical use of market receipts data in the smaller cities, the feasibility and cost of gathering the information, and other related points. Earlier this year, USDA personnel met with poultry industry leaders to discuss the adequacy of marketing information. That group indicated interest in seeing increased attention given to appraising the feasibility and means of improving the extent and nature of statistical information.



PERCENTAGES OF SALES OFF FARMS OF POULTRY THAT WERE FARM CHICKENS, COMMERCIAL BROILERS AND TURKEYS, BY REGIONS, 1930-1950. (Dressed weight equivalent)



SALES OF POULTRY OFF FARMS, DRESSED WEIGHT EQUIVALENT, AND PERCENT RECEIVED AS DRESSED POULTRY AT FOUR MARKETS, BY REGIONS AND YEARS, 1930-1950.

# Keen on Lean; Hard on Lard

By Lowell Strong

"Everybody wants lean; nobody wants fat." In these few words farmers summarized one of the major problems currently facing them as swine producers. The occasion was the 1952 Indiana State Fair where an exhibit illustrated the new Federal standards for grades of market hogs.

The expressions of these farmers at the Indiana Fair were no different than those of other producers and livestock marketmen who have had a chance at first hand to see the new Federal grades for hogs in use at demonstrations throughout the country during the last three or four years.

This indication of producer awareness of the changes in consumer preferences during recent years is not new. In fact, the problem has become a rather common discussion subject wherever and whenever farmers and livestockmen gather--at livestock shows and meetings, at the market, or over the fence. Some producers have begun to express fear for the future popularity of pork among American consumers unless steps are taken to place more emphasis on lean pork production.

Growers generally also are aware of the differences in hogs, and the day of the philosophy that "pigs is pigs" is about gone. Hog grading and carcass demonstrations that have become a part of many livestock shows and meetings have convinced them of this. In many instances, similar weight hogs show differences of \$2, or more, per hundredweight, in live value as determined by yields of the lean cuts that everybody wants and the fat cuts that nobody seems to want. This is due to differences in fatness and points up the inadequacy of the scale alone to determine true market value of hogs.

"All the grades sell for about the same price," was a frequent comment around the Indiana Fair display. The lack of realistic spread in price, in spite of wide differences in value, is brought forcibly to the grower's attention when he markets his hogs. The practice of grouping hogs of a given weight at the same price obviously discourages the production of correctly finished hogs. It is generally agreed that the small differences in price sometimes observed fall far short of indicating the true difference in value. Under such conditions, the marketing system fails in the important job of correctly reflecting consumer desires back to the source of supply.

The new grades which were demonstrated in the exhibit at the Indiana State Fair were designed as usable tools to aid in reflecting consumer preferences back to the producer. The farmers who studied the exhibit agreed that consideration of grade at the market would provide a lot of

help in identifying the hogs that produce the kind of pork cuts consumers prefer. The observations at Indianapolis bear out the reactions shown at previous demonstrations held in all parts of the country for more than three years prior to adoption of the official Federal standards on September 12, 1952.

The new grades are Choice 1, Choice 2, Choice 3, Medium, and Cull. All hogs with enough finish to produce Choice quality pork--the tender, juicy, flavorful kind that most people prefer--are eligible for Choice grade. The designations of Choice 1, 2, and 3 for these hogs which are similar in quality identify differences in fatness which result in changes in yields of lean and fat. Choice 1 has the minimum finish required to insure Choice quality, and yields of the preferred lean cuts are about 50 percent of carcass weight. Overfinished hogs are graded Choice 2 or Choice 3, depending on the degree of overfinish, and the increased fatness results in lower lean yields and higher fat yields than in Choice 1. The Medium and Cull grades designate underfinish resulting in pork of less acceptable quality.

As in the case of the well-established grades for cattle and sheep, use of the grades is strictly voluntary on the part of buyers and sellers. The grades provide a means for trading on the basis of actual values as determined by differences in hogs from the standpoint of meeting consumer wants.

The consumer has already made his move as is clearly evident in the difference in price between pork chops or hams and lard. Producers, for the most part, recognize and are concerned about the change in demand for their products. Improvement of marketing practices to provide better reflection of consumer desires back to the producer is an essential step to solve the problem of too little lean and too much fat.

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#### INCREASED FERTILIZER SUPPLIES SEEN FOR 1953

A recently concluded study by the Production and Marketing Administration indicates that supplies of the three primary fertilizer elements, nitrogen, phosphate, and potash, for the 1952-53 crop year will be 12 percent greater than the record stocks available during 1951-52.

Nitrogen supplies available for fertilizer in 1952-53 are estimated at 1,585,000,000 tons, 11 percent above 1951-52 supplies. Supplies of available phosphates are forecast at 2,465,000 tons, about 10 percent over this crop year. Potash supplies are placed at 1,850,000 tons, 17 percent above the reported 1951-52 supply.

Copies of the report, "The Fertilizer Situation for 1952-53," may be obtained from the Office of Information Services, PMA, U. S. Department of Agriculture, Washington 25, D. C.

# Market News, Retail Version

By Kenneth J. McCallister

Weekly retail market news can be used to reduce maladjustments between wholesale and retail food prices and bring about other improvements in marketing. That conclusion was reached after analyzing results of an experimental retail market news service conducted in Baltimore over a year and a half period by the Marketing and Facilities Research Branch, Production and Marketing Administration, under authority of the Agricultural Marketing Act of 1946.

Data gathered by the trial market news service were distributed each Thursday to housewives in the form of a report prepared for their use, together with information on "best buys." Also, reports making use of the same information, along with comments on market conditions at retail, and a report comparing wholesale and retail prices of fresh fruits and vegetables, were distributed to groups of retailers, wholesalers, processors, shippers, and farmers. About 8,000 people at all interested levels received these reports, which covered 130 food items, every week.

## Influence On Retail Prices

The study indicated that the actual market news reports were having an influence on Baltimore retail prices. For instance, a comparison of retail prices in August, October, and December of 1949, when the reports were not being released, with retail prices during the same months of 1950 when the reports were being publicly released, showed that the price variations among retail stores throughout the city were reduced an average of 7.4 percent for all 130 commodities.

Near the end of the 18-month reporting test, each occupational group was surveyed to learn the use to which the retail information had been put. The retail grocers' group had the largest proportion of users--84 percent. Then came the homemakers, 55 percent of whom made specific uses of the news reports, with the wholesalers following closely along with 49 percent using the reports. The processors averaged 39 percent, and the shippers 28 percent. Four percent of the Maryland Virginia farmers receiving the report made use of it.

Housewives representing all income groups and in all sections of the Baltimore metropolitan area reported that the retail market information enabled them to do a better job of buying and to save on food costs. It was found in the study that the prevailing practice of homemakers in buying their weekly groceries was not to shop between stores. For this reason the report gave them a basis for judging values that they would not otherwise have. One homemaker expressed her reaction to the market news

information this way: "I saved money and had more and better food than before." The housewives increased their purchases of the items that were listed as "best buys" by an average of 56 percent. Some used the report to plan their purchases in advance.

Retail food store operators found various ways of using the market information, such as in competitive pricing on the large number of individual items carried, in buying from producers and wholesalers, convincing customers that their prices were "in line" with the average and range of prices for the city, and by enabling them to keep abreast of weekly retail price changes. The report observes that 60 percent of the price adjustments made by stores in bringing their prices on individual commodities in line with the Baltimore retail market report were downward, and 40 percent were upward.

One of the most interesting comments received from a retailer was that he was being forced out of business until, through the information carried in the weekly reports, he was able to obtain better prices from his jobber. He learned to feature the articles he could sell competitively. He began to earn larger profits.

#### Used By Wholesalers And Packers

Of the meat wholesalers and slaughterers in Baltimore who used the reports, most used them in keeping track of the general marketing picture or in their work with retailers. Baltimore's butter, egg, and poultry wholesalers used the reports as general information on prices at the retail level. The fresh fruit and vegetable wholesalers said the reports were of value to them in checking retail prices and in comparing them with wholesale prices. Canned food wholesalers made little use of the reports in their wholesale operations but thought they were good reports for the retailers they served.

The fruit and vegetable canners and frozen food packers and distributors found use for the reports in keeping track of market trends and in judging strength of the retail market. One frozen food distributor said he used it to time his promotion of different products.

The shippers of fresh fruits and vegetables to the Baltimore market who received weekly reports giving wholesale and retail prices for fresh fruits and vegetables reported the information was useful in appraising general market conditions. They were particularly interested in the changes in markups between wholesale and retail prices.

The main use of the reports at the farm level was to determine prices for items retailed directly from the farm.

An analysis was made of prices in Baltimore over the period studied, and it was found that there were numerous and sometimes large maladjustments between wholesale and retail prices. It was also found that each group, acting in its own interest, used the retail market news information in ways that tended to reduce these maladjustments and bring about over-all economic improvements in marketing.

Some of the maladjustments it helped to reduce were:

1. Failure of retail prices to adjust adequately to price reductions made by wholesalers and shippers, and as a result of which there was no incentive for consumers to increase their purchases, and conditions of heavy supply were not relieved. The homemaker at the same time was not getting as much for her money as she might have received.
2. Failure of wholesale prices to rise when strengthened demand caused prices to rise at retail, with the result that the incentive needed to attract increased supplies into the city was lost.
3. Situations in which the amount of retail mark-ups over wholesale prices were such that some commodities were required to pay the cost of marketing others. This practice sometimes misdirected consumer attention away from those items in relatively large supply to those items in relatively short supply.

The cost of a reliable retail market news service for a city the size of Baltimore was estimated at \$21,000 a year.

A copy of the report on this study, "Retail Market News as an Aid to Marketing," may be obtained from the Office of Information Services, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

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#### PREPACKAGING POSSIBILITIES FOR PEACHES AND GRAPES TO BE STUDIED

Practical research on a commercial scale of prepackaging possibilities for riper and more attractive peaches and better fresh grapes has been scheduled by the U. S. Department of Agriculture in contracts with private fresh fruit and vegetable organizations, under authority of the Agricultural Marketing Act of 1946.

The peach project will be conducted by a Maryland wholesaler using a tomato prepackaging plant. The objective is to determine commercial possibilities of harvesting nearly ripe peaches, ripening them under controlled conditions, and prepacking them for immediate distribution to retailers to give consumers a product much like tree-ripened peaches. The other project, to be carried out in cooperation with a Nation-wide fresh fruit and vegetable group and a wholesale firm in Kansas City, Mo., will test merchandising of Thompson seedless grapes in 1- to 2-pound cellophane bags.

It is hoped that reports on both projects will be carried in future issues of MARKETING ACTIVITIES.

# Marketing Briefs

(The program announcements summarized below are more completely covered in press releases which may be obtained on request from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. by citing the code number given at the end of each item.)

Cotton.--Edward J. Overby, Assistant to the Secretary of Agriculture has been appointed deputy director of the Cotton Branch, PMA, to have primary charge of cotton research and marketing activities. Mr. Overby has worked for the Department since 1939. Prior to that he had long commercial experience as a cotton statistician and economist. (USDA 1893-52)

Dairy.--The following actions have been taken on Federal Milk marketing orders during the past month: Due to drought conditions in the areas, USDA has announced emergency increases in the Class I (fluid) milk price differentials, for varying periods of time, under milk marketing orders covering the following localities: Tulsa, Okla., (USDA 1900-52); Springfield, Mo., (USDA 1899-52); Louisville, Ky., (USDA 1889-52); St. Louis, Mo., (USDA 1887-52); Neosho Valley, (Kansas-Missouri), (USDA 1836-52). A hearing looking toward similar action in the North Texas Marketing Area was held in Dallas on September 16. (USDA 1988-52)

Changes in the pricing provisions of milk marketing orders have been announced for the following areas: Rockford-Freeport, Ill., (USDA 1908-52); Minneapolis, St. Paul, Minn., (USDA 1822-50); the five New England milk order areas: Boston, Lowell-Lawrence, Worcester and Springfield. (USDA 1853-52). A change has been recommended in the pricing provisions of the Cedar Rapids-Iowa City, Iowa, milk marketing order. (USDA 1942-52). Deadline for filing briefs in connection with a proposed new Federal order to regulate the handling of milk in the New York-New Jersey metropolitan area has been extended until October 15, 1952. (USDA 1910-52). USDA announced that NO public hearing will be called to consider recent variations in cost and price indexes which are used in the determination of producer prices in the New York milkshed. (USDA 2004-52). Minor changes in the Milwaukee, Wis., milk order become effective October 1. (USDA 1888-52). The Chicago milk marketing order has been amended to change the surplus milk manufacturing area, pool plant and other provisions. (USDA 1872-52)

Fats and Oils.--A price support program for 1952-crop TUNG nuts and oil has been announced. Prices to growers will be supported at \$67.20 per ton, basis 17.5 percent oil content for nuts and 26.5 cents per pound for grower-owned tung oil. These dollar-and-cents price levels are the same as for the 1951 crop although parity for tung nuts is lower this year. (USDA 1877-52)... CCC has completed contracts for purchase of 17

grain storage structures for use in PEANUT producing areas of Texas and Oklahoma to enable growers there to participate in the 1952 peanut price support program. (USDA 1807-52)

Fruits and Vegetables.--USDA has accepted offers for 92,300 cases of concentrated ORANGE JUICE for delivery to non-profit school lunch programs this fall. (USDA 1843-52)... Offers of canned TOMATO PASTE and/or TOMATO PUREE from the 1952 pack in No. 10 size cans have been invited by USDA for use in the National School Lunch Program. (USDA 1801-52)... The Department has reissued an offer to buy canned GREEN SNAP BEANS and GREEN PEAS from the 1952 pack for the school lunch program. Insufficient quantities were offered at acceptable prices under an earlier announcement. (USDA 1857-52). No purchases of canned PEACHES were made under the Department's invitation for offers of July 31, since acceptable offers were not sufficient for distribution under the school lunch program. (USDA 1909-52)... Because of relatively favorable marketing conditions, USDA has announced that NO export payment program for 1952-crop fall and winter APPLES and winter PEARS is contemplated. The announcement was made in response to inquiries to remove uncertainties which might affect export trade negotiations for the products. (USDA 1861-52)

Salable and surplus percentages for ALMONDS (USDA 1928-52) and FILBERTS (USDA 1952-52) for the new crop year have been announced. The salable quantity of 1952-crop HOPS grown in Oregon, California, Washington, and Idaho has been fixed at 39,200,000 pounds under the Federal marketing order for that crop. (USDA 1874-52)

New U. S. standards for grades of Florida ORANGES, effective September 28, 1952, have been announced. (USDA 1886-52)

Grains and Seeds.--A national average price support for 1952-crop WHEAT of not less than \$2.21 per bushel has been announced. The comparable rate for 1952-crop wheat is \$2.20. The 1953 crop will be supported through farm-storage and warehouse storage loans and CCC purchase agreements. (USDA 1982-52)... Price support rates for 1953-crop OATS, BARLEY, RYE, and GRAIN SORGHUMS also have been announced. These feed grain support prices for 1953 are the equivalent of 85 percent of August 15, 1952 parity as compared with 1952 support prices of 80 percent of August 15, 1951 parity. (USDA 1998-52)... A national average support price for 1953-crop FLAXSEED, grading No. 1, of \$3.79 a bushel, as compared with a comparable rate for this year's crop of \$3.77. In most areas supports will be carried out through loans and purchase agreements, but in designated Texas counties producing winter flaxseed prices will be supported by direct purchase only. (USDA 1983-52)... USDA has announced that prices currently being asked for CCC stocks of WINTER COVER CROP SEEDS will remain unchanged through December 31, 1952. CCC's holdings cover about 370 million pounds, including blue lupine, Austrian winter pea, common and Williamette vetch, hairy vetch and crimson clover seed. (USDA 1989-52)

RICE export allocations totaling 7,280,000 hundredweight bags (milled rice equivalent) have been announced by USDA for the period August 1-December 31, 1952. At the same time, the Office of International Trade, U. S. Department of Commerce, added rice to the "Positive List," which re-

quires that all exports valued at more than \$25 now require a validated license, except those going to Canada. The allocation for export has been broken down by countries. (USDA 1997-52)... A new Federal-State RICE inspection office has been established at Greenville, Miss., to serve producers, millers and others in that State and Southeastern Arkansas. (USDA 1974-52)... USDA has purchased 211,050 cwt. of Grade 5 or better unpolished milled RICE for overseas shipment by the Army. (USDA 1927-52)

Livestock.--Revisions in regulations issued under the Packers and Stockyards Act were considered at a series of nine hearings held during September in major livestock marketing areas of the country. (USDA 1799-52)... Progress in the control and eradication of the SWINE disease vesicular exanthema has been reported by Secretary of Agriculture Charles F. Brannan, who said that all major livestock markets where the disease has appeared have now been disinfected and declared "clean." (USDA 1866-52)... Earlier, cooperative agreements were reached with four States in carrying out a Federal-State indemnity program to wipe out this disease through the slaughter and processing and, in some cases, destruction on the premises of infected or exposed hogs. (USDA 1837-52)

Poultry.--Through September 12, USDA had purchased 197,600 pounds of frozen ready-to-cook 1952-crop TURKEYS under a program to provide an outlet for temporary surpluses which are resulting in unfavorable prices to producers. The turkeys are to be distributed to non-profit school lunch programs. (USDA 2021-52)... The program was announced in the latter part of August. (USDA 1897-52)

Sugar.--USDA has announced that beginning September 3, 1952 certification by the Department will be required before any SUGAR from Cuba may be entered. The requirement, effective until January 1, 1953, became effective because more than 80 percent of the Cuban quota for 1952 already has arrived. (USDA 1923-52)... "Fair and reasonable prices" for the 1952 Florida sugarcane crop, which must be paid to producers by processors who apply for Sugar Act payments, have been announced. (USDA 2007-52)... Public hearings were to be held during the month of September in Puerto Rico on wage rates and prices for the 1953 sugar crop there. (USDA 1938-52)

Tobacco.--Announcement of official results of flue-cured tobacco referendum held in July shows that 98.8 percent of the 260,163 growers voting favored marketing quotas, and by far the greatest proportion favored quotas for three years. The three-year marketing quota program has been announced, effective July 1, 1953. (USDA 1812-52)

Wool.--Secretary of Agriculture Charles F. Brannan has announced that there is no basis for a rumor that the U. S. Government has contracted to purchase the Argentine wool carry-over. Pointing out that no Government agency has purchased Argentine wool since early in 1951, the Secretary added: "No negotiations for further purchases are currently under way or contemplated." The statement was made in answer to queries regarding the rumor, which was reported to be current in the domestic wool trade.

## ABOUT MARKETING

The following addresses and publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach and mail to the Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

### Addresses:

Farm Programs and Economic Stability, a talk by F. Marion Rhodes, Director, Cotton Branch, Production and Marketing Administration, at Meeting of Workshop on Economic Education, University of Mississippi, July 30, 1952. 20 pp. (Processed)

### Publications:

U. S. Standards for Florida Oranges (Effective Sept. 28, 1952). Issued Aug. 29, 1952. 20 pp. PMA (Processed)

U. S. Standards for Florida Grapefruit (Effective Sept. 14, 1952). Issued Aug. 20, 1952. 13 pp. PMA (Processed)

Cottonseed Quality in the Far West (1951-52). August 1952. 34 pp. PMA (Processed)

The Causticaire Method for Determining Cotton-Fiber Maturity and Fineness (Preliminary Report). August 1952. 20 pp. PMA (Processed)

Retail Market News as an Aid in Marketing. Marketing Research Report No. 19. May 1952. 92 pp. PMA (Printed)

The National School Lunch Program (A Progress Report) PA-208. June 1952. 19 pp. PMA (Printed)

Economic Effects of Federal Regulation of the Minneapolis-St. Paul Fluid Milk Market. Marketing Research Report No. 11. May 1952. 218 pp. PMA (Printed)

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